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THE SWISS SUCCESS STORY

By WILLIAM HENRY CHAMBERLIN

THE little republic of Switzerland, with its four and a half million people living in the mountainous heart of Europe, offers one of the most striking national success stories one could find anywhere in the world today. Here is a country, landlocked, without overseas colonies, almost entirely destitute of natural resources, except for hydro-electric power, that enjoys probably the highest standard of living in Europe.

Switzerland is about three-fifths Protestant and two-fifths Catholic. Its people are divided unequally between three linguistic groups. About three-quarters are German speaking, about one-fifth French speaking and some four per cent Italian. But religious tension is at a minimum and Swiss national unity survived the strain of two world wars, in which Germany, France and Italy were involved.

Swiss unity is based not upon any imposed cultural conformity, but upon toleration, and, indeed, cultivation of diversity, with every group (including a small minority who speak the little known Romansch language) free to use its own language, and multi-lingualism the rule in the federal services. Nazism and Fascism stopped at the Swiss frontier before and during the war. Nor has there been any post-war growth of Communism, as in France and Italy.

Economically, Switzerland can point to a combination of conditions that sounds almost too good to be true. During the war and since the war there has been virtually full employment. There are free trade-unions. And there are no strikes.

Every able-bodied Swiss is a trained soldier, and business and professional men in their thirties and forties take it as a matter of course when they are called up for a few weeks of refresher military courses. But there is no sign of militarism. The Swiss army is really a people's militia, with absolute social equality in service. It is supervised and kept in shape by a small corps of professional officers, whose top rank, in peacetime, is that of Colonel. Only when the emergency of a large European war causes mobilization against any threat to Swiss neutrality and independence is the highest ranking officer given the title of General.

THE CHANCES are that if any country with Switzerland's geographical and economic limitations had achieved such favorable results by going in for socialism or funny money or some other kind of newfangled economy, there would have been a flood of enthusiastic books and magazine articles about the promising "experiment". As it happens, though, Switzerland has departed very little from the political and economic

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philosophy of the Nineteenth Century. It adheres to the creed of authentic old-fashioned liberal individualism. It has been amazingly little affected by the experiments in political dictatorship and economic collectivism which have been so characteristic of the Twentieth Century.

Switzerland has not even introduced women's suffrage. In other ways, too, the Swiss are behind the times. No one is ever executed or sent to prison without a fair trial. There are no concentration camps. The Swiss have never gone in for racial or class persecution. Their national and cantonal legislatures are not gatherings of robots who always vote unanimously. Their newspapers continue to say what the editors think, not what the government thinks the editors ought to think. When a proposal that would increase direct taxation or infringe the rights of property or pillage the thrifty for the benefit of the thriftless is put up in a referendum these benighted people are almost certain to vote it down.

Because the Swiss, with few exceptions, believe that two and two add up to four, because they turn a deaf ear to such shortcuts as wholesale nationalization, depreciation of their currency (which is backed by gold to more than one hundred per cent of its value) and limitations on production, their success story has attracted little attention abroad. Swiss prosperity and stability are taken for granted.

But these things did not just happen. There are lessons for America and for all free countries in what may be considered the five main ingredients in the Swiss way of life.

THESE INGREDIENTS ARE: (1) Tremendous faith in the saving virtue of individual freedom, keen and jealous affirmation of individual personal and property rights against encroachments of a dictator, a state bureaucracy or a mob. Walking through an alpine village in the shadow of the great Jungrau peak last summer, I was struck by a poster which showed the coats of arms of the twenty-two cantons which make up the Swiss Confederacy. It bore the inscription: *"In Freiheit geschaffen; in Freiheit gewachsen."* (Created in freedom; developed in freedom.)

I was in another mountain village when the national holiday was celebrated on August 1st. And if the speakers on that occasion used the word freedom once they used it twenty times. And the people who had turned out in a drizzling rain listened to these speeches attentively and sang the national anthem with an enthusiasm which would have surprised those who think of the Swiss as stolid and unimaginative. Freedom has a first priority in the Swiss scale of values and your Swiss citizen will not let himself be bullied or bamboozled out of it.

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(2) Distrust of any kind of concentration of power. A young Swiss banker whom I had known as a student at the Harvard School of Business Administration and met again in Geneva summed it up in an American phrase: "We don't like big shots."

The Swiss Constitution, framed a little over a hundred years ago, is admirably calculated to frustrate the emergence of a "big shot". It is closely modelled on the American, with one important exception. The Swiss Parliament is constituted very much like the American Congress, with a lower house (*Nationalrat* or National Council), elected on a basis of population, and States Council (*Staenderat*) in which the cantons are all equally represented. *But the Swiss President enjoys very limited power.* The office passes in rotation from one member to another of the Federal Council, the seven-man executive organ of the government.

It is significant that one of the greatest Swiss minds is the historian and philosopher Jacob Burckhardt, who foresaw with prophetic vision in the Nineteenth Century the outlines of the totalitarianism that would be the curse of the Twentieth. From his vast knowledge of history, Burckhardt, like his British contemporary, Lord Acton, with whom he has much in common, drew the conclusion that power is intrinsically evil, something to be curbed if possible, otherwise to be shunned.

(3) Emphasis on decentralization. The Swiss believe that effective self-government must be kept alive and vital on the local level. The Swiss canton has maintained much more authority than the American state, including the sole right to levy direct taxation. (Switzerland has not escaped the twin curse of the direct income tax and the swelling bureaucracy, but has kept both within much more modest bounds than almost any other country.)

Less than one-third of the Swiss population lives in towns with more than 10,000 population. The largest Swiss factory is small by American standards. There are no trade-union bosses with sufficient power to hold the country to ransom by threatening to starve, freeze or otherwise inconvenience the population if their demands are not met. Switzerland has escaped the triple threat of big government, big business and big trade-unionism.

A healthy feature of the Swiss economy is the location of many factories in small communities where the workers own their own homes and pieces of land. In many ways Switzerland has rendered to the proletariat the greatest imaginable service — by abolishing it.

(4) Pride in hard work. Talk with a Swiss in any occupation and he is almost sure in time to get around to the observation that his country owes its well-being to the na-

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tional capacity for hard work. And this is no empty boast. Whether a Swiss is a skilled watchmaker or a railway employee or a worker in a bank or a hotel, he takes pride in a job well done. He is not a clock-watcher.

The peasant background of many Swiss, their close connection with the land, is an important factor. No one who gets a living out of an alpine farm or pasture has any illusions about money growing on trees. And hard work means intelligent work: high achievements in scientific research and craftsmanship. The quality of the Swiss watch is proverbial and this also holds true for such Swiss products as precision machines and chemicals. The Swiss have made their superb scenery an asset; one cannot imagine a country more friendly and comfortable for the tourist. Indirect earnings from foreign investments, patent royalties, banking and insurance make up for the deficiency in natural resources. Their honest money and their absence of currency and trade restrictions have made the Swiss the natural bankers of Europe.

(5) Knowing when they are well off. The average Swiss possesses the realistic gift of knowing when he is well off. He has well developed sales resistance to the hawkers of utopias. It is remarkable how many revolutionaries have enjoyed the Swiss right of asylum without disturbing the even tenor of Swiss life. Bakunin, the anarchist, lived many years in Switzerland and the Swiss buried him with the unconsciously insulting description *"Rentier"* on his grave. Lenin and Trotsky lived long in Switzerland without converting more than a handful to their views.

LIKE OTHER PROSPEROUS nations and individuals, Switzerland has its critics and ill-wishers. It is sometimes said that Switzerland's well-being is only the consequence of having stayed out of the two great European wars. But this is, at best, a half truth. That these two wars were a main cause of European political and cultural decline and of the rise of collectivism cannot be denied. But there are much more positive elements than avoidance of war in the Swiss success story.

Swiss adherence to neutrality is sometimes criticized; but it seems doubtful whether any country would abandon a policy with so much historical tradition, and which has worked so well. And it should be noted that there is no element of unrealistic "neutralism" or dreamy pacifism in the Swiss attitude. The Swiss are not only willing but prepared to the limit of their capacity to fight to the last ditch if their country is attacked. And no one in Switzerland expects that attack to come from any but one source; Swiss political and moral and cultural sympathy is entirely with the West. It is doubtful whether any country in Europe is more fundamentally and wholeheartedly anti-Communist.

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HUMAN EVENTS

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The Unimportance of Cabinet Posts: A new cabinet minister either becomes master in his own realm or a helpless puppet shortly after taking up his duties. The enormous power which "advisers" can wield over their chief, is thoroughly recognized in this Capital, and always kept in mind. Hence, many observers here are disposed to greet the public announcement of a new name as a Cabinet member with fingers crossed; he may prove a strong man, but the chances are he'll become merely the mouthpiece of his "advisers".

These advisers are not necessarily the cabinet member's right hand men. Down the corridor from the chief's office are the "middle" bureaucrats who in most instances are the ones who really shape the policy of the Department. They write the reports (or they slant the reports, some may say); they send the information upstairs, and they are certainly in a position to reject some pieces of intelligence and to emphasize others; and they can confect apparently well-balanced recommendations. Only years later, the chief may mournfully perceive how warped these were. These anonymous toilers have for the most part been shaping policy in the past two decades, since Roosevelt came in. People who voted against Truman were unconsciously voting against these bureaucrats. They are the permanent — we fear — powerhouse of the Government.

Mr. McKay of Oregon, who has been named Secretary of the Interior, is reported in the press to be a conservative. Let us assume he is. Unless he brings with him, or gathers together after he arrives here, an entirely new "middle" staff, thoroughly loyal to him and his ideas, he's going to run into trouble. Anyone here realizes what the serried ranks of the Interior Department have become after many years of the two preceding Secretaries, Harold Ickes and Oscar Chapman.

Or take the Department of State. Mr. Dulles might be all his admirers say. If he is, we hope he hasn't fallen for something which the local press — possibly because they were hungry for "news" — has prominently featured: that the incumbent Administration has readied a number of volumes of "top-level" and "top-secret" information about various aspects and friction points of our foreign policy, so as to assist the "transition" of the new Administration. Piffle! If these allegedly precious volumes touch on Spain or the Far East, the sections on these subjects must have been written (with suitable selectiveness in the "top-secret" information) by those who have for years sabotaged bases in the Iberian peninsula and who dug the grave of China and the graves of many of our boys in Korea. The "middle" bureaucracy is tireless. It could prove timeless in its place of power.

Dulles: Plenty of discussion at dinner tables this past week about the views of the newly designated Secretary of State. In the years leading up to World War II, Dulles was regarded as "isolationist" and he was privately, but nevertheless very helpfully, sympathetic to General Robert E. Wood's America First Committee. Later, he appeared on the scene as an "internationalist", advocating seating of the Chinese Communists in the United Nations. His foreign policy views were hardly distinguishable from those of the Democratic Administration.

Last March, Dulles resigned as special adviser to Acheson and in a series of utterances during April and May emerged in another guise. He urged the threat of aerial and naval bombardment of the China

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mainland to deter the Reds from attacking Indo-China; he called our European policy "ineffectual" and during the fall election campaign attacked the Administration foreign policy of "containment". No wonder foreign policy analysts hereabouts are somewhat bewildered about just where Dulles will stand when he takes over.

What are the chances of the new Secretary cleaning out the State Department and getting the right sort of "middle" bureaucracy? Last evening, we heard a discussion of this matter among a group that included press observers of the State Department and several retired State Department officials. They all agreed that the job of Undersecretary is the vital position; that this official if he is knowledgable and sound in policy can clean out and build up. The name most mentioned was that of Loy Henderson, Ambassador to Iran (now in Washington on a consultation visit).

Mr. Henderson, it is pointed out, has a background which meshes sympathetically with that of Dulles at a number of points. When Dulles was favorable to America First, Henderson (as an expert on Soviet Russia) was pointing out the dangers of the rise of Soviet Russia in case of another war and of the peril which might result from the entrance of the U.S. into the world conflict. Henderson, it was pointed out, would be the best available tool to "clean out", since he has an encyclopedic knowledge of the fellow-travellers who have been in the State Department and foreign service over the past two decades. Finally, it is recalled that Henderson generally is a conservative, both in domestic and foreign policy, holds much the same views about the danger of "statism" as often expressed by Dulles. On all this, our learned friends were in agreement. But they also agreed that the same old sinister influences were undoubtedly at work already to get Dulles to choose quite different subordinates.

It was also mentioned that Taft rather publicly took up with Dulles during his primary campaign of last spring and so could hardly be critical of his appointment now. But it was also remarked that many followers of the Ohio Senator could hardly be happy if they read Dulles' telegram to the Atlantic Union Committee meeting which took place a few days after Eisenhower named him. This Committee is the present incarnation of Clarence Streit's "Union Now" movement and aims to merge U.S. sovereignty with the sovereignties of Western European nations.

Dulles, in his wire (read to the Committee members by former Justice Owen Roberts) expressed "full support" of the Committee, saying that "it has an understanding of the national and finite capabilities of the Federal system. It is important that this be understood in connection with the development of NATO because NATO can hardly succeed if it is merely a political alliance of temporary expediencies. There is the opportunity and responsibility to achieve a result of enduring value and I have no doubt that your congress will promote this end."

Realignment: Our last week's piece by J. Harvie Williams, "Conservatives Can Stay In Power If —", has brought many inquiries and much favorable interest, including one frequent question — "is it possible?"

A visit today to Capitol Hill (where a number of members are appearing again) suggests that realignment — merging of seniorities between northern and southern conservative members, division of chairmanships — is possible. We talked to two GOP members — one from the Middle West, the other from the East, neither of whom is in line for a chairmanship. They both agreed that, except for about a dozen GOP members who would lose chairmanships to Southern Democrats under such a system, most of the 200-odd GOP members would take a favorable view. Why? Because they would thus retain "majority status". Again, we heard the saying "There's no lower form of political life than minority status," and we well know how this has irked GOP members for many years.

With majority status, however, each of these members would enjoy participation in the dominant congressional grouping that wields the power. There would, naturally, be some objections of a "tribal"

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and stubborn nature from certain Republicans whose first impulse is always, "why give the --- Democrats anything". But a little reminder of the facts of congressional life could correct this. And for the Southerners? "They would snap at it now." One of the members interviewed by us said he would find the senior Democrat on his committee even more congenial as chairman than the senior Republican in the same group.

We also found suggestions afloat in corridors that a private meeting of "back benchers" of the GOP would be in order to discuss the subject. There is agreement that the present period of uncertainty (with the GOP possessing shaky, hair-line majorities) offers a favorable time to make a deal with the Southerners. And there is a vivid sense that, if successful, the first and essential step toward a new conservative party would be taken.

Distaff Side: Among ladies mentioned as eligible and suitable for Federal appointments in the new Administration is Congresswoman Katherine St. George from the 29th District of New York. Mrs. St. George is well-known in the lower chamber for her conservative views on domestic policies. She is also noted for her thoroughly American viewpoint on foreign policy; and her wide knowledge of the situation abroad has recently prompted talk of offering her a place on the House Foreign Affairs Committee. Readers of HUMAN EVENTS of several years ago may recall her sound position — often quoted in these pages — in opposition to the Morgenthau Plan and to the dismantling of German industry.

The name of Miss Dorothy Thompson, columnist, is brought up in circles to which she would have been unacceptable a dozen years ago (during her campaign in 1940-1 to get the U.S. into war). In recent years, Miss Thompson has shown, in her writings, quite a changed viewpoint and her reportage, quite favorable to the candidacy of Taft in the primary campaign of last spring, drew much attention. It has been remarked that she would be a welcome substitution for Mrs. Eleanor Roosevelt in the post of delegate to the UN.

The gossip corners in the Capital bring forth the name of Mrs. Claire Boothe Luce as an eligible for special ambassador to the Coronation ceremony in London next June.

Public Education: It has long been our opinion that the real purpose of compulsory public education is to give our youth the training necessary for the proper making out of income tax returns. In this opinion we are supported by a news item from the *Wall Street Journal.* It says that Internal Revenue Bureau representatives will tour the nation's schools early next year "to teach the younger set how to fill out tax returns". One specific result of this kind of teaching, according to the item, is that boys who sell newspapers or shine shoes in their part time are thus enabled to share their earnings with Uncle Sam, and be appropriately grateful therefor. They can also make out or scrutinize their parents' returns; perhaps to detect and report evasions.

Education Front: One institution of higher learning, unlike too many others, is not ashamed of affirming its support of the principles underlying the American system of free enterprise. Mr. Frank Bailey, trustee and treasurer of Union College, Schenectady, N.Y., put through a board resolution which read: "Union College gives special emphasis to the principles underlying the American system of free enterprise — private property, personal productivity, the profits system with its inducements to individual initiative and competition, and the control of economic activity by free market. The significance of these principles to the unprecedented growth of wealth and opportunity for the American people is studied and contrasted with the functioning of the principles of Socialism, Communism and Fascism in the experience of other nations. Union believes in the affirmative presentation of American principles, keeping always in mind the need for free inquiry and sound scholarship."

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Line Forms on the Left: Whether or not the Republican victory presages a retreat from socialism will not be known until the ideological composition of the new regime reveals itself in appointments (particularly in the middle echelons, where the real policy of the government is articulated), and in the legislative program of the Executive. Meanwhile the socialists are not taking the verdict of the polls for granted. They are closing ranks for (1) the capture of the Republican regime (they are no respecters of party labels) and (2) for the campaigns of 1954 and 1956. Unlike the conservatives, whose lack of sound conviction is conducive to laziness, the energumens of Big Government never tire of their crusade.

Whatever chicanery the socialists may resort to on the political stage, they are quite honest in spelling out their purposes, particularly for their own people. Thus, the November *ADA World,* official organ for the Americans for Democratic Action (euphemism for American socialists), urges the faithful to recruit "new members and new blood from those who supported the liberal ticket", and to work on both the local and national levels for the measures so dear to the hearts of socialists. They are not waiting for 1956.

It remained, however, for Allan Nevins, Columbia professor and an old megaphone for the socialists, to boldly warn Mr. Eisenhower that, in defiance of millions who voted for him with the hope that he would put an end to New Dealism, he must not "turn back the clock". Very appropriately, the professor chose *The New York Times Magazine Section* (November 23) as his vehicle for this bit of socialistic impudence.

As a matter of fact, says this scribe, the President cannot do anything about it, and he repeats the wheeze about the inevitability of socialism. (If that's so, why vote?) Then, buttering up Mr. Eisenhower for his great achievements, he warns the new President against offending the "at least 10,000,000 independent voters, overwhelmingly liberal and internationalist, who are even more alert". (The many more millions who voted for Eisenhower in the expectation that he would defy the "inevitable" historic forces apparently don't count.) "They" — the mythical 10,000,000 — "have no fear that Mr. Eisenhower will let Mr. Taft take charge of labor, Mr. Hoover of the tariffs, McCarthy of civil liberties and General MacArthur of defense policy." How candidly sanguine! The best thing for the new President to do, he condescendingly advises, is to work with the "forward looking" Democrats and Republicans who have sense enough to work with the "historic" forces.

Whatever else we might say of socialists, we cannot help but admire their consummate brass. There is one quality (of the socialists) that conservatives too often overlook; the socialists are on the winning side not because they are in the right, or because of this balderdash of inevitability, but because they work at their business all the time. The conservatives, alas, neither know their business nor give it more than passing attention in election campaigns; that's why they lose so regularly. Don't bet that Mr. Eisenhower will not heed the professors' advice, in utter disregard of the expectations of those who voted for him.

A Bureaucratic Ailment: A manufacturer in West Germany — a correspondent writes us — was in need of managerial help, from the grade of foreman up. Since this manufacturer had agencies in East Germany, where business was slack, he decided to transfer to the home plant several of their supervisory staff. To his utter astonishment, he found these workers simply incapable of making decisions or assuming responsibility. Several years under Soviet supervision has robbed them of all managerial ability.

American industrialists having had occasion to hire men or women who had served for any length of time on the public payroll can well appreciate the experience of this West German manufacturer.

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